

Information Services Board Meeting Minutes

Department of Information Services Boardroom, The Forum Building
Olympia, Washington
December 10, 1999

Members Present:

Emilio Cantu
Tom Fitzsimmons
Bill Jordan
Steve Kolodney
Ed Lazowska
Marsha Tadano Long
Cathy Wolfe

By teleconference:

Jayasri Guha
Earl Heister

Others Present:

Paul Taylor

Members Absent:

Joe Dear
Lisa Brown
William Finkbeiner
Tom Fitzsimmons
Mary McQueen
Renee Radcliff

Call to Order

Mr. Tom Fitzsimmons, Vice Chair, ISB was delayed, Mr. Paul Taylor, Chief of Staff, Information Services Board (ISB), called the meeting to order.

Roll Call

Sufficient members were present to constitute a quorum.

Approval of Minutes

The minutes from the July 28, 1999, ISB meeting were not approved. Dr. Ed Lazowska requested the minutes be edited to reflect his concerns over the Department of Transportation (DOT) decision to give the use of the rights of way for development of a telecommunications network along Interstate 5 (I-5) and Interstate 90 (I-90) to one vendor. Mr. Taylor said the minutes would be revised to reflect the concerns and presented to the ISB for approval at the next meeting.

**K-20 Educational
Telecommunications Network
Frame Relay Standards**

Mr. Taylor introduced Ms. Clare Donahue, Chief Deputy Director, Department of Information Services (DIS), and Mr. John Anderson, K-20 Project Manager, DIS, to present a recommendation to the ISB to adopt a frame relay standard for Phase 3 to connect public libraries to the K-20 network. Ms. Donahue said that in 1996, when the concept of the K-20 Network was defined in statute there was a very specific role for the ISB and that was to approve the network design and technical standards of the network. The initial standards were set to require full

T-1 capacity to allow the use of video on the network for the educational institutions. Since only a portion of the libraries will require video or could fully utilize that capacity, Ms. Donahue recommended that the rural libraries use a smaller segment of bandwidth with a fractional T-1 or frame relay. That would provide a more cost-effective standard and scalability if demand increased over time.

Ms. Donahue said it will cost approximately \$1.8 million (\$1.47 million for the electronics, routers and the initial outlay of telecommunications bandwidth). The operating costs of the K-20 operations cooperative, engineering, maintenance and warranty will be about \$.34 million. The annual expense for the libraries connected to the K-20 network will be \$.8 million. This includes depreciation of equipment, network operations and the bandwidth capacity. Senator Cantu asked if the estimated costs represented the total cost of ownership, including training and staff, Ms. Donahue said it did.

Mr. Steve Kolodney asked what the costs would be if the libraries used T-1 like the schools. Mr. Anderson stated that the costs for full T-1 would be about fifty percent higher than a fractional T-1. He emphasized the standards approved by the Board designed scalability into the network.

Mr. Earl Heister asked if there was an advantage to using the Direct Service Line (DSL) connectivity over a fractional T-1 frame relay or dial-up access. Mr. Anderson replied that DSL tends to be available primarily in urban areas. The frame relay technology is something that can be implemented in rural areas. Ms. Donahue said the libraries would benefit from connection to a robust network not offered through dial-up access.

Mr. Kolodney said the K-20 Telecommunications Board unanimously recommended the frame relay standard to the ISB because that capacity is more than adequate for most of the rural areas. Dr. Ed Lazowska said adding the libraries to the K-20 Network will be tremendously important to the state and will provide secure, cost-effective community access to citizens in rural areas and in particular urban areas where home access to computers and information devices is limited.

A motion was made to approve frame relay among

the K-20 Network standards.

The motion carried unanimously.

Digital Government

Mr. Taylor provided the ISB with an overview of the draft Digital Government Plan. He said the premise of the plan was to make the state of Washington the most citizen-centric government in the nation by allowing real people to do real business in real time with their government. The plan requires taking an enterprise view of how digital government can be built, with collaborative application development, the expansion of state infrastructure and creation of new policies to address doing business online.

In an effort to manage and utilize the tremendous potential of the Internet to transform and streamline doing business, several efforts are already underway. An acquisition of a vendor to provide Public Key Infrastructure (PKI) technology for digital signatures has been initiated. An information technology security initiative to ensure secure transactions in doing business with government on the Internet is underway. There has been an on-going initiative to analyze the various options and make recommendations for Internet payment methods.

Access Washington was created to act as a portal for citizen access to government information. Inside Washington will be available soon to provide state employee access to information and forms commonly used in the operation of state government.

Mr. Taylor said the plan identifies a view of the enterprise approach that casts a vision for digital government and what needs to be done to achieve it. Mr. Taylor asked the Board members to provide comments and thoughts to be included in the plan within two weeks of the meeting. In addition to the ISB, the Electronic Commerce Executive Steering Committee, the Customer Advisory Board (CAB) and a subset of the CAB, the Technology Architecture Advisory Group, are all participating in an internal review of the plan.

Mr. Taylor introduced Ms. Erika Lim, Senior Policy Advisor, DIS, to request approval of the proposed Information Technology Investment Policy.

Ms. Lim said the draft contained updates to the current ISB Acquisition Policy. Two types of changes were made: first, to make the provisions of the policy harmonize with the principles of Portfolio Management, and second, to address emerging technologies for digital government.

The name of the Acquisition Policy has been changed to Investment Policy to reflect that information technology is an investment and should be treated as such. The term, acquisition, as used in the new policy refers to the actual acquisition and solicitation process.

The second area of change is the process that agencies will go through in order to determine whether they need to report to the ISB or if DIS oversight is required. Rather than gauge the need for DIS and/or ISB oversight based on the cost alone, a risk analysis would be used that provides evidence of some combination of high risk and/or high costs. The increased risk can be caused by such factors as public impact, new technologies, agency capability and effects on inter-operability within state government.

The policy contains exceptions to delegated authority for certain newer technologies or those that would duplicate existing systems used across state government.

Mr. Taylor said agencies would come to DIS for the first level of review on the exempt acquisitions and on those projects that involve a significant investment of public funds, plus a high level of risk or severity. The latter would require a request to the full Board for approval based on a business case. He asked the ISB for adoption of the new Information Technology Investment Policy effective December 10, 1999.

Senator Cantu emphasized the importance of business case justification prior to proceeding with projects requiring ISB oversight.

Ms. Lim said that an investment standards document was being drafted to define how agencies determine if a project is feasible through the development of an investment plan and to help them determine the level of approval and oversight that must be applied.

It was moved and seconded to adopt the Information Technology Investment Policy.

The motion carried unanimously.

Mr. Taylor introduced Mr. Edward Fraga of the Gartner Group to provide the ISB with some industry information on Internet technical standards and protocol directions. Mr. Taylor said the ISB first adopted a standard telecommunications protocol, TCP/IP in 1992. Agencies now need additional standards to provide the direction needed to transform their business in the digital arena. He characterized the standards as a starter kit providing the essential tools to move forward with digital government.

Mr. Fraga said Hypertext Markup Language (HTML) version 4.0 is the most widely accepted standard by which Internet traffic is conducted. Two other standards were established by the Internet Engineering Task Force (IETF), one, the Light Directory Access Protocol (LDAP), ensures directory services can be interoperable between vendors. The industry has been working towards a goal to allow users to do a single sign-on. The second, X.509 is the standard for digital signatures, a method of ensuring authentication, confidentiality and security of a business transaction. He said the standards recommended are consistent with the industry trend toward vendor-independent, web-based, simple universal standards.

Dr. Lazowska said the X.509 standard should not be applied in cases where a secure signature is really required. Simple transactions do not require the creation of digital signature certificates.

Mr. Taylor agreed to add language to make it clear that most electronic commerce digital government applications will not require the use x.509 authentication and certificates except as business drivers require.

Mr. Heister asked what the ISB's expectations are if they adopted a set of standards and legacy systems don't comply. Ms. Jayasri Guha asked how the ISB would react to rapidly changing industry standards, if such changes made the approved ISB standards obsolete. Mr. Taylor said the recently formed advisory committees such as the Technical

Architecture Advisory Group should make it possible to keep the technical standards current and viable.

A motion was made to adopt the HTML 4.0 and LDAP standards and characterize the x.509 standard version 3.0 as a protocol direction when the certificate format is necessary.

The motion carried unanimously.

The ISB asked staff to draft a letter to the Chairs of the Energy and Technology Committees of the Senate and the House to recommend that technical standards not be embodied in legislation. The letter, once approved by the Board, would be signed by the ISB Chair and forwarded to the committee chairs.

**Department of Licensing
Internet-delivered Vehicle Tab
Renewal and Master
Business License Proposal**

Mr. Andy Marcelia, Senior Technology Management Consultant, DIS, introduced Mr. Fred Stephens, Director, Department of Licensing (DOL) to request ISB approval of the Internet Vehicle Tab Renewal and the Master Business License proposal.

Mr. Stephens introduced Gerry McDougall, Deputy Director, DOL. Mr. Stephens provided an overview of the department's five divisions and said the Internet projects would be the agency's initial investment in digital government to improve customer access to licensing services. The first two projects would allow customers to purchase vehicle license tab renewals and apply for Master Business licenses.

Mr. Stephens said a Request for Proposal (RFP) to acquire a vendor to design the new system was issued on November 5, 1999. Six vendors submitted proposals with a cost range of four to twelve million dollars. Final scoring of the proposals would be completed December 17, 1999, and an apparent successful vendor named by December 20, 1999. Subject to funding, both projects will be completed by December 31, 2000.

Mr. Stephens said the Internet would provide citizens with another option for acquiring licenses. DOL had been monitoring the use of a similar system in Virginia that demonstrated a significant on-going increase in citizen's use of the Internet for license tab renewal. Convenience to the citizen will be the initial benefit, rather than cost savings.

Mr. Heister asked if the ISB was expected to approve up to a twelve million-dollar project. Mr. Stephens said the amount the department budgeted was six million dollars and they hope to be close to that estimate. The cost estimates were for operations over a five-year period. The ISB agreed it needed more information on the total cost of ownership for the project and asked DOL to report back at the February ISB meeting on the results of contract negotiations for the apparent successful vendors.

The motion was made to approve the proposal with the understanding that DOL would return to the February meeting with an update on the negotiations and findings of the review of the business case of overall costs and efficiencies of the new system.

The motion carried unanimously.

**Department of Transportation
Commercial Vehicle
Information System Network
(CVISN) Acquisition Plan**

Mr. David Koch, Senior Technology Management Consultant, DIS, introduced Mr. Sid Morrison, Secretary, Department of Transportation (DOT); Mr. Fred Stephens, Director, DOL; Ms. Annette Sandberg, Chief, Washington State Patrol (WSP); and Mr. Jim Tutton, Vice President of the Washington State Truckers' Association, to request approval of the acquisition plan for DOT's Commercial Vehicle Information System Network (CVISN).

The CVISN project is a cooperative of the Federal Highway Administration, DOT, DOL, WSP and the Washington Truckers' Association. Mr. Morrison said that 99.9 percent of all trucks are legally equipped to do business in Washington State. Trucks installed with a transponder would be electronically monitored for compliance as they drive by the weight stations. The main purpose of the system is to allow truckers within their legal weight, that have paid their fuel taxes and have the appropriate licenses to bypass the stops at highway weigh stations, providing efficiencies in time and money.

CVISN would allow WSP to concentrate on offenders. Chief Sandberg said the project would not only improve the speed of commerce, but also would improve public safety and help maintain the highway infrastructure. Mr. Stephens said DOL plans to automate some of the processes to provide

multi-jurisdictional commercial vehicle registration, electronic data exchange with law enforcement and other tax payment and vehicle registration information. Mr. Tutton said the trucking industry in the state gives its full supports of CVISN technology.

Mr. Morrison introduced Mr. Toby Rickman, Traffic Engineer, who provided an overview of the pilot project, proof-of-concept installed in Ridgefield, Washington and a schedule for a statewide rollout of CVISN. Art Farley, Rate and Fuel Tax Services Division, DOL, discussed DOL's plan to disseminate tax information to CVISN partners.

Senator Cantu asked for clarification on the costs the Board was being asked to approve. Mr. Taylor said the amount of this acquisition would be about \$6.6 million. Senator Cantu also asked if the truckers' participation was voluntary and what the costs were to equip a truck to participate. Mr. Tutton said it was voluntary and the cost per truck was \$45 per year.

It was moved to approve the project. Mr. Heister abstained from voting because his company in involved with CVISN.

The motion carried.

**Washington State Patrol
Radio Interoperability Study**

Ms. Lourdes Collins, Senior Technology Management Consultant, DIS, introduced WSP Chief Sandberg to request Board approval of a decision package to conduct a radio interoperability study. Ms. Collins stated that at the July 1999 ISB meeting WSP requested that the ISB refer the issue of radio interoperability to the Justice Information Committee (JIC). A sub-committee of the JIC was formed and determined a formal study was necessary.

Chief Sandberg said the inability to communicate by radio of various entities working at the World Trade Organization meeting in Seattle demonstrated the criticality and need for radio interoperability. She asked for approval of the \$250,000 package.

A motion was made to approve the decision package.

The motion carried unanimously.

Chief Sandberg briefed the Board on the status of

three other WSP projects. The Automated Fingerprint Identification System (AFIS) was placed in operation on October 18, 1999. The main site and nine remote sites were completed by December 3, 1999, and are operational. Two additional sites will be added. The system is operational and Year 2000 compliant.

Washington Crime Information Center (WASIC) and Washington State Identification System (WASIS) (W2) projects were operational two weeks ahead of schedule on September 28, 1999, and were completed within budget.

She also said WSP was compliant and ready for the Year 2000 date change. She will continue to provide briefings of the WSP CARS project at future Board meetings.

The Collision Reporting and Statistical History (CRASH) project has been renamed Collision Analysis Records System (CARS). Following the termination of the IKON Business Solutions (IKON) contract for CRASH, it was learned that there were Year 2000 problems in what had been a largely undocumented system. Those problems were corrected and WSP asked two consulting companies, Management Technology Group (MTG) and CASE Associates to develop options for future direction. The first was to continue the existing project, the second, start over with a new project or third, utilize a scaled down approach to the original project, implementing a non-technical solution. Because of cost and risk, the third option was chosen. A project plan requested by Senator Cantu will be completed and delivered to ISB members before the February ISB meeting.

Mr. Kolodney asked what percentage of the previous project could be salvaged. The Chief estimated that amount to be about 75 percent.

Dr. Lazowska asked whether IKON's performance on at least two troubled imaging projects that have been before the ISB had been noted, and asked what else the Board could do. Mr. Taylor replied that IKON's performance had been noted, and that agencies considering imaging projects had been encouraged to be very attentive to references.

The Department of General

Mr. Andy Marcelia, Senior Technology Management

Administration Internet-based Procurement System

Consultant, DIS introduced Ms. Marsha Tadano Long, Director, Department of General Administration (GA), to request approval of the decision package for an Internet, browser-based procurement and payment system known as the Ultimate Purchasing System. Ms. Tadano Long said GA has been analyzing the costs and purchasing patterns of state government to find a way to save acquisition costs and provide efficiencies to streamline the process. On an annual basis the state purchases about three billion-dollars worth of goods and services and conducts about 800,000 transactions against state contracts and that 54 percent of transactions are for less than \$100, with a transaction cost of about \$55 each. GA intends to leverage the state's buying power through additional contracts, which will further decrease the cost of transactions.

Mr. Bill Joplin, Office of State Procurement, GA, estimated the savings from the new system could be as much as \$800,000 each year. Vendors polled by GA said they could offer increased discounts in the Ultimate Purchasing System environment.

Based on vendor and stakeholder feedback, GA needed to cancel and re-issue the RFP to increase the opportunity for competition. The new RFP consists of three levels of response. First, the vendors will submit an executive summary of their solutions, those that meet the broad business objectives will be asked to participate in the second level, that requires a more detailed written response. Level two responses will be evaluated and three or four finalists will be selected to do all-day presentations of actual solutions, to prove the return on investment and system performance. The Department of Corrections has agreed to pilot the system. There will be a website established to track feedback from the vendors and the customers.

Ms. Tadano Long said that because this type of system is so new to state government it is difficult to assess the costs, but GA has a supplemental budget request for three million-dollars. She agreed to work with the agencies to document the actual cost savings.

A motion was made to approve the decision package.

**Department of Information
Services Use of the Western
States Contracting Alliance
Procurement for Personal
Computers and Related
Hardware/Services**

The motion carried unanimously.

Mr. Stan Ditterline, Senior Technology Management Consultant, DIS, introduced Mr. Mike McVicker, Assistant Director, Telecommunication Services Division of DIS and Ms. Pat Kohler, Assistant Director, Office of State Procurement, GA. They requested approval to allow DIS to establish master contracts with Compaq, Comp USA, Dell, Gateway and IBM for personal computer hardware, software and related services through the Western States Contracting Alliance (WSCA).

Before the presentation, Senator Cantu spoke to the issue of member recusal on items in which the member owns stock in one of the bidding vendors. Based on statutory provisions and an opinion from the Attorney General, such a member may participate in order to make a quorum and allow the Board to conduct its business. Senator Cantu said he would not recuse himself in order for the Board to maintain a quorum. Ms. Kohler clarified that the procurement decision has already been made and this presentation was informational only.

Ms. Kohler explained the WSCA consists of 16 states and administers multi-state contracting. Alliance participants have realized cost savings through lower priced products with volume purchases and lower contract administration costs. Within the Alliance, one state takes the lead on a specific procurement, and administers the contract for the rest of the states for a small fee.

Mr. Mike McVicker said WSCA retains one tenth of one percent to offset their costs. The master contracts will be available to the traditional customers of DIS Technology Brokering. DIS will charge a one and one-half percent fee to administer the purchaser's contracts.

The vendors will provide a current copy of the catalog on the Internet and DIS will document vendor prices on a daily basis. The contract will be for a three-year term, with two one-year extensions. Mr. McVicker said DIS anticipates about a 20 percent increase in purchases due to the favorable terms and conditions.

Dr. Lazowska asked who bears the expense of contract administration. Ms. Kohler said the lead

state does and other states monitor the process carefully.

Mr. Kolodney joined Mr. McVicker in thanking Ms. Pat Kohler for leading the effort. He said this is one example of moving purchasing from the agency to the Internet. He estimated 30-40 percent of the purchasing traffic will move to the Internet in the near future.

A motion was made to approve the establishment of five master contracts for the state of Washington through the WSCA.

The motion was carried unanimously.

New Business

Members were provided proposed ISB meeting dates for the year 2000.

Adjournment

The meeting was adjourned.